

TAX FORMS HAVE FAMILIAR LOOK

WASHINGTON -- Many taxpayers searching for something familiar in the New Year will find it in their mailboxes this week: the tax packages from the Internal Revenue Service contain forms that look very much like last year's.

"There are different dollar amounts associated with some tax benefits -- like the higher, \$500 per child limit for the child tax credit -- but the structure of the forms is pretty much the same," said IRS Commissioner Charles O. Rossotti. "There were very few tax law changes for 1999, and these are reflected in the forms and instructions."

When the IRS finalized the content of the tax packages in October, it included a cautionary note about pending legislation. After Congress extended various expiring provisions, the IRS was able to replace the caution -- or add an insert to ignore it -- in all but about 8 million of the 26 million forms packages. Taxpayers receiving these packages will also get a postcard telling them that the forms are all right to use.

The one thing entirely new to the tax packages is not tax-related. Photos of missing children will appear on otherwise blank pages of the tax instructions and other publications. The IRS is partnering with the National Center for Missing & Exploited Children to expand the distribution of photos of lost, abducted or runaway children.

Fewer than half of the 127 million filers expected this year will receive any type of tax package. The IRS does not send forms to taxpayers who used a paid preparer the previous year, since these preparers seldom use the forms from the IRS packages.

Nearly 21.5 million taxpayers who filed by phone, or could have, will receive a package inviting them to use the TeleFile system this year. This package has no tax forms, but does contain the customer service number used to "sign" the return, along with the "Tax Record" which helps the taxpayer prepare for the call and serves as a record of filing. TeleFile is for taxpayers with no dependents and simple tax situations.

Instead of a tax package, more than 11 million taxpayers who used a computer to do their own returns received a postcard in December with an "e-file customer number." They can use this number to electronically "sign" an e-filed return, making their filing completely paperless. The IRS will not re-issue the customer numbers for computer or telephone filing, so taxpayers receiving these items should not misplace them.

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